

must be made to the appropriate transportation revenue account (Account 489.1 through Account 489.4). Records are to be maintained and readily available that include the name of shipper, quantity of gas, and the publication and price used to value shipper-supplied gas.

D. The value of gas received from shippers under tariff allowances that is not consumed in operations nor returnable to customers through rate tracking mechanisms must be credited to Account 495, Other Gas Revenues and charged to this account. Utilities must simultaneously charge Accounts 117.3 or 117.4 as appropriate, with contra credits to Account 808.2, Gas Delivered to Storage—Credit. Records are to be maintained and readily available that include the name of shipper, quantity of gas, and the publication and price used to value shipper-supplied gas.

805.1 Purchased gas cost adjustments.

A. This account shall be debited or credited with decreases or increases in purchased gas costs related to Commission approved purchased gas adjustment clauses when such costs are not included in the utility's rate schedules on file with the Commission.

B. This account shall be debited or credited with amounts amortized from Account 191, Unrecovered Purchased Gas Costs.

806 Exchange gas.

This account includes debits or credits for the cost of gas in unbalanced transactions where gas is received from or delivered to another party in exchange, load balancing, or no-notice transportation transactions. The costs are to be determined consistent with the accounting method adopted by the utility for its system gas. If the utility has adopted the inventory method of accounting, the amounts to be recorded in Account 806 must be based on the historical cost of the gas. If the utility has adopted the fixed asset method of accounting, the amounts to be recorded in Account 806 must be based on the current market price of gas at the time gas is tendered for transportation. (See the Special Instructions to Accounts 117.1, 117.2, and 117.3 for a description of the inventory and fixed asset methods

and the definition of the current market price of gas.) Contra entries to those in this account are to be made to account 174, Miscellaneous Current and Accrued Assets, for gas receivable and to account 242, Miscellaneous Current and Accrued Liabilities, for gas deliverable under such transactions. Such entries must be reversed and appropriate contra entries made to this account when gas is received or delivered in satisfaction of the amounts receivable or deliverable.

807 Purchased gas expenses.

A. This account shall include expenses incurred directly in connection with the purchase of gas for resale.

B. The utility shall not include as purchased gas expense, segregated or apportioned expenses of operating and maintaining gathering system plant whether such plant is devoted solely or partially to purchases of gas, except that the utility shall include the cost of turning on and off purchase gas wells and operating measuring stations devoted exclusively to measuring purchased gas.

C. In general, it is intended that this account include only the expenses directly related to purchased gas, including the expenses of computing volumes of gas purchased, and special items directly related to gas purchases which are not includible in other accounts.

D. This account shall be subdivided as follows:

807.1 Well expenses—Purchased gas.

807.2 Operation of purchased gas measuring stations.

807.3 Maintenance of purchased gas measuring stations.

807.4 Purchased gas calculations expenses.

807.5 Other purchased gas expenses.

808.1 Gas withdrawn from storage—Debit.

A. This account shall include debits for the cost of gas withdrawn from storage during the year. Contra credits for entries to this account shall be made to accounts 117.1 through 117.4, or account 164.2, Liquefied Natural Gas Stored, as appropriate. (See the Special Instructions to accounts 117.1, 117.2, and 117.3).

B. Withdrawal of gas from storage shall not be netted against deliveries to storage. (See account 808.2.)

NOTE: Adjustments for gas inventory losses due to cumulative inaccuracies in gas measurement, or from other causes, shall be entered in account 823, Gas Losses. If, however, any adjustment is substantial, the utility may, with approval of the Commission, amortize the amount of the adjustment to account 823 over future operating periods.

808.2 Gas delivered to storage—Credit.

A. This account shall include credits for the cost of gas delivered to storage during the year. Contra debits for entries to this account shall be made to accounts 117.1 through 117.4, or account 164.2, Liquefied Natural Gas Stored, as appropriate. (See the Special Instructions to accounts 117.1, 117.2, and 117.3).

809.1 Withdrawals of liquefied natural gas held for processing—Debit.

A. This account shall include debits for the cost of liquefied gas withdrawn during the year. Contra credits for entries to this account shall be made to account 164.3, Liquefied Natural Gas Held for Processing.

B. Withdrawals of liquefied natural gas held for processing shall not be netted against deliveries. (See account 809.2).

NOTE: Adjustments for gas inventory losses due to cumulative inaccuracies in gas measurement, or from other causes, shall be entered in account 846.1, Gas Losses, in the month determined, if, however, any adjustment is substantial, the utility may, with approval of the Commission, amortize the amount of the adjustment to account 846.1 over future operating periods.

809.2 Deliveries of natural gas for processing—Credit.

A. This account shall include credits for the cost of gas delivered for processing during the year. Contra debits for entries to this account shall be made to account 164.3, Liquefied Natural Gas Held for Processing.

B. Deliveries of natural gas for processing shall not be netted against withdrawals from processing. (See account 809.1).

810 Gas used for compressor station fuel—Credit.

This account shall include concurrent credits for charges which are made to operating expenses for gas consumed for compressor station fuel from the common system gas supply.

811 Gas used for products extraction—Credit.

This account shall include concurrent credits for charges which are made to products extraction expenses for gas shrinkage and gas used for fuel in products extraction operations of the utility and for similar uses of gas of the utility by others processing gas of the utility for extraction of salable products.

812 Gas used for other utility operations—Credit.

This account shall include concurrent credits for charges which are made to operating expenses or other accounts of the gas department for gas consumed from the common system supply for operating and utility purposes other than uses for which credits are includible in any of the foregoing accounts. (See account 484, Interdepartmental Sales, for gas supplied to departments other than the gas utility department.)

813 Other gas supply expenses.

A. This account shall include the cost of labor, materials used and expenses incurred in connection with gas supply functions not provided for in any of the above accounts, including, research and development expenses.

These accounts are to be used by both transmission and distribution companies to account for natural gas storage expenses. If the utility operates both transmission and distribution systems, subaccounts shall be maintained classifying the expenses to the transmission or distribution function.

B. Include in separate subaccounts: (1) losses on settlements of imbalance receivables and payables (See Account 174 and 242) and losses on replacement of encroachment volumes (See the Special Instructions to Accounts 117.1, 117.2 and 117.3); (2) revaluations of storage encroachments; and (3) system gas